

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 5/4/87

TO : DIRECTOR, FBI
 FROM : SAC, LOS ANGELES (29A-16028) (WCC-3) (P)
 SUBJECT: - CUSTOMER: *ENCL/P1*
SANWA BANK CALIFORNIA,
612 S. FLOWER STREET,
LOS ANGELES, CALIFORNIA
 BF&E
 OO: LOS ANGELES

Enclosed for the Bureau are four copies of an LHM
 setting forth the facts of captioned matter.

1 encl. (im, IIR, Quantico, 384)
6-1-87
DDR/VR

1cc 7/3 & 4

② - Bureau (Enc. 4)
 2 - Los Angeles

 (4)

DE-25

N 29-10 101-1

2 MAY 13 1987

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Approved:

Transmitted

Per

22 NOV 22 1985

(Number) (Time)



U.S. Department of Justice

Federal Bureau of Investigation

Los Angeles, California

In Reply, Please Refer to
File No.

May 4, 1987

[REDACTED] CUSTOMER,
SANWA BANK CALIFORNIA,
612 S. FLOWER STREET,
LOS ANGELES, CALIFORNIA
BANK FRAUD AND EMBEZZLEMENT

Information provided by officials at Sanwa Bank California indicates that between January 8, 1987 through March 10, 1987, customer [REDACTED] deposited [REDACTED] into his personal checking account. Deposits consisted of large checks, Continental Express Company money orders, and cash. [REDACTED] did not place holds on the checks deposited, and allowed [REDACTED] checks drawn on the uncollected funds to be paid. [REDACTED] continued depositing checks to cover previously deposited checks that were returned unpaid.

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These transactions resulted in a loss to the bank of \$282,474.36.

[REDACTED] is described as follows:

Sex	Male
Race	White
Date of Birth	[REDACTED]
Social Security	[REDACTED]
Account Number	[REDACTED]
Hair	Brown
Eyes	Brown
Height	5'10"
Weight	220 pounds

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

29-1081051

SSP
CLASS
SRC'D
SER
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RECEIVED
TELETYPE UNIT

20 JAN 88 11 24

FEDERAL BUREAU
OF INVESTIGATION

Exec AD Adm.	_____
Exec AD Inv.	_____
Exec AD LES	_____
Asst. Dir.:	
Adm. Servs.	_____
Crim. Inv.	_____
Ident.	_____
Insp.	_____
Intell.	_____
Lab.	_____
Legal Coun.	_____
Off. Cong. & Public Affs.	_____
Rec. Mgmt.	_____
Tech. Servs.	_____
Training	_____
Off. Liaison & Int. Affs.	_____
Telephone Rm.	_____
Director's Sec'y	_____

INBOX.40 (#3604)

TEXT:

VZCZCLA0029

RR LQ

DE LA #0029 0190008

ZNR UUUUU

R 190205Z JAN 88

FM LOS ANGELES (29A-16028)(WCC-3)(P)

TO DIRECTOR ROUTINE

BT

UNCLAS

[Redacted]

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[Redacted] - CUSTOMER; JOHN CLIFFORD ELLSWORTH; SANWA BANK
CALIFORNIA, LOS ANGELES, CALIFORNIA, BF&E, OO: LOS ANGELES (LA
29A-16028).

[Redacted] - CUSTOMER; WILSHIRE STATE BANK, LOS ANGELES, BF&E,
OO: LOS ANGELES (LA 29A-15932).

[Redacted] - CUSTOMER; CALIFORNIA OVERSEAS BANK, LOS ANGELES,
CALIFORNIA, BF&E, OO: LOS ANGELES (LA 29A-15832) (BU 29-102263).

[Redacted] - CUSTOMER; SECURITY PACIFIC NATIONAL BANK, LOS
ANGELES, CALIFORNIA, BF&E, OO: LOS ANGELES (LA 29A-15650) (BU
29-104282).

29-108108-21

FOR INFORMATION OF THE BUREAU, ON JANUARY 7, 1988, SUBJECTS FEB 10 1988

[Redacted] AND JOHN C. ELLSWORTH WERE INDICTED BY A FEDERAL

SPX

116
68 MAR 06 1989

Unrecorded Copy Filed In 29-108108-21
29-108108-21

PAGE TWO DE LA 0029 UNCLAS

GRAND JURY AT LOS ANGELES, CALIFORNIA. THE 26 COUNT INDICTMENT CHARGES [] WITH DEFRAUDING CAPTIONED INSTITUTIONS OF APPROXIMATELY \$1.5 MILLION IN FOUR SEPARATE SCHEMES DURING 1985 TO 1987. SUBJECT ELLSWORTH IS NAMED IN SEVEN COUNTS OF THE INDICTMENT REGARDING THE SCHEME TO DEFRAUD SANWA BANK CALIFORNIA. THE SEALED INDICTMENT CHARGED 25 COUNTS OF VIOLATION OF TITLE 18, USC, SECTION 1344 (BANK FRAUD) AND ONE COUNT OF VIOLATION OF TITLE 18, USC, SECTION 10014 (FALSE STATEMENT).

ON JANUARY 8, 1988, SUBJECT ELLSWORTH WAS ARRESTED BY FBI, LOS ANGELES, WITHOUT INCIDENT AT HIS RESIDENCE, 5659 HOLLY OAK DRIVE, LOS ANGELES, CALIFORNIA. ON JANUARY 13, 1988, ELLSWORTH APPEARED FOR A DETENTION HEARING BEFORE U. S. MAGISTRATE JOSEPH REICHMAN, WHO ORDERED HIM HELD WITHOUT BAIL. ELLSWORTH IS SCHEDULED FOR ARRAIGNMENT ON JANUARY 19, 1988.

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SUBJECT [] IS SCHEDULED FOR ARRAIGNMENT ON JANUARY 25, 1988, AND IS EXPECTED TO ENTER A GUILTY PLEA AT THAT TIME.

[] IS DESCRIBED AS A WHITE MALE, DOB []
[] 5'10", 220 POUNDS, BROWN HAIR, BROWN EYES, SSAN []
[]

JOHN CLIFFORD ELLSWORTH IS DESCRIBED AS A WHITE MALE, DOB

PAGE THREE DE LA 0029 UNCLAS

APRIL 10, 1946, 5'11", WEIGHT APPROXIMATELY 250 POUNDS, BROWN
HAIR, BLUE EYES, FBI NUMBER 326077L10.

BT

#0029

NNNN

TO: DIRECTOR, FBI

FROM: SAC, LOS ANGELES
SUBJECT: [REDACTED]

CUSTOMER;
JOHN C. ELLSWORTH;
ET AL
BF&E
OO: LOS ANGELES

Bureau File Number
29A-16028
Field Office File Number
14
Squad or RA Number
Agent's Social Security No.

☐ X If a joint operation with:

(Identity of other agency)

☐ X If case involves corruption of a public official (Federal, State or Local).

Date 9/13/88

Investigative Assistance or Technique Used							
Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes - If Yes, rate each used as follows: 1 = Used, but did not help 3 = Helped, substantially 2 = Helped, but only minimally 4 = Absolutely essential							
1. Acctg Tech Assistance	Rating	8. Eng. Sect. Tape Exams	Rating	15. Photographic Coverage	Rating	22. Telephone Toll Recs	Rating
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveill. Sqd. (SOG) Asst		26. NCAVC/VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)		-Complaints	Informations	Indictments	D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP)				(Explain valuation in remarks)	
					Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented	
B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)										
Subject Priority*										
A B C										
FBI Arrests -										
FBI Locates -										
Local Arrests -										
FBI Subj. Resisted _____; Armed _____										
C. Release of Hostages or Children Located: (Number of Hostages or Children Located)					E. Civil Matters					
Hostages Held By Terrorists _____; All Other Hostage Situations _____					Government Defendant					
Missing or Kidnaped Children Located _____					Government Plaintiff					
					Amount of Suit					
					Settlement or Award					
					Enter AFA Payment Here					
F. Final Judicial Process: Judicial District CD CA 1-3/7/88; 2-2/22/88 1-8/1/88; 2-7/8/88										
District State Conviction or Pretrial Div. Date Sentence Date No. of Subjects										
Subject 1 Subject Description Code* -										
Conviction Combined Sentence										
Title Section Counts Yrs Mos Yrs Mos Yrs Mos										
Felony 18 1344 4 3 5										
Misde-meanor										
Plea										
Trial										
Pretrial Diversion										
Subject 2 Subject Description Code* -										
Conviction Combined Sentence										
Title Section Counts Yrs Mos Yrs Mos Yrs Mos										
Felony 18 1344 2 4 6 4 6										
Misde-meanor										
Plea										
Trial										
Pretrial Diversion										
Subject 3 Subject Description Code* -										
Conviction Combined Sentence										
Title Section Counts Yrs Mos Yrs Mos Yrs Mos										
Felony										
Misde-meanor										
Plea										
Trial										
Pretrial Diversion										
Subject 4 Subject Description Code* -										
Conviction Combined Sentence										
Title Section Counts Yrs Mos Yrs Mos Yrs Mos										
Felony										
Misde-meanor										
Plea										
Trial										
Pretrial Diversion										

Attach additional forms if reporting final judicial process on more than four subjects, and submit a final disposition for (R-84) for each subject.

Remarks: (For every subject reported in Sections B, C or F above, provide name, DOB, race*, sex, and POB and SSAN if available.)

On 3/7/88, [REDACTED] white, male, DOB [REDACTED] pled guilty to four counts of Title 18, USC, Section 1344. On 8/1/88, U. S. District Judge MANUEL C. REAL sentenced [REDACTED] to three years custody, five years probation and 2,000 hours community service.

On 2/22/88, JOHN CLIFFORD ELLSWORTH, white, male, DOB 4/10/46, FBI Number 326077L10, pled guilty to two counts of Title 18, USC, Section 1344. On 7/8/88, U. S. District Judge REAL sentenced ELLSWORTH to four years custody on count one and five years with four and a half years suspended on count two, to run consecutively, and 1,000 hours community service.

Bureau (1 - 29A-15650) (1 - 29A-15932) (1 - Admin)
Field Office (1 - 29A-15832) (1 - 29A-16028) (1 - P/F SA [REDACTED])
See codes on reverse side (1 - DESK)

67 MAR 20 1988

Property Type Codes*		Potential Economic Loss Prevented (PELP) Type Codes*	
Code No	Description	Code No	Description
1	Cash (U.S. and foreign currency)	22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
2	Stock, Bonds or Negotiable Instruments (checks, travelers checks, money orders, certificates of deposit, etc)	23	Counterfeit or Pirated Sound Recordings or Motion Pictures
3	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)	24	Bank Theft Scheme Aborted
4	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)	25	Ransom, Extortion or Bribe Demand Aborted
5	Heavy Machinery & Equipment (heavy equipment, computers, etc)	26	Theft from, or Fraud Against, Government Scheme Aborted
6	Bulk Materials (grain, fuel, raw materials, metals, wire, etc)	27	Commercial or Industrial Theft Scheme Aborted
7	Jewelry (including unset precious and semiprecious stones)	30	All Other Potential Economic Loss Prevented (not falling in any category above)
8	Precious Metals (gold, silver, silverware, platinum, etc)		
9	Art, Antiques or Rare Collections		
11	Weapons or Explosives		
20	All Other Recoveries (not falling in any category above)		

*Except for cash, the Remarks section must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is \$1 million or more, or if the PELP is \$5 million or more.

Subject Description Codes*
- Enter Description Code Only When Reporting a Conviction -

Organized Crime Subjects:

- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN

Known Criminals (Other Than OC Members):

- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:

- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:

- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Union Members:

- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Officials Or Employees:

Federal	State	Local
6A Presidential Appointee	6J Governor	6R Mayor
6B U.S. Senator	6K Lt. Governor	
6C U.S. Representative	6L Legislator	6S Legislator
6D Judge	6M Judge	6T Judge
6E Prosecutor	6N Prosecutor	6U Prosecutor
6F Law Enforcement Officer	6P Law Enforcement Officer	6V Law Enforcement Officer
6G Fed Empl - GS 13 & above	6Q All Others - State	6W All Others - Local
6H Fed Empl - GS 12 & below		

Bank Officers or Employees:

- 7A Bank Officer
- 7B Bank Employee

All Others:

- 8A All Other Subjects (not fitting above categories)

Instructions

Subject Priorities for FBI Arrest or Locates:

- A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.
- B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of \$25,000 or convicted of such crimes in the past five years.
- C - All others

Claiming Non-Federal Arrests, Summonses, Recoveries or Convictions:

It is permissible to claim a local arrest, summons, recovery or conviction if the FBI significantly contributed to the accomplishment. A succinct narrative setting forth the basis for the claim must accompany this report. When claiming a local recovery, enter the word "LOCAL" to the right of the amount. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

1. The subject becomes a fugitive after conviction but prior to sentencing.
 2. The subject dies after conviction but prior to sentencing.
- An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, not the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

- Since more than one IA/T could have contributed to the accomplishment, each IA/T used must be rated.
- The IA/T used must be rated each time an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

Race Codes:

C = Chinese; I = Indian/American; J = Japanese; N = Negro; O = All other; U = Unknown; W = White

FBI

TRANSMIT VIA: 4

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 5/18/89

TO : DIRECTOR, FBI (29-108108) (29-106111)
 (29-104282) (29-102263)

FROM : SAC, LOS ANGELES (29A-16028) (WCC-3) (C)

SUBJECT:
 JOHN C. ELLSWORTH;
 SANWA BANK CALIFORNIA,
 LOS ANGELES, CALIFORNIA
 BF&E
 OO: LOS ANGELES

Enclosed for the Bureau are five copies of an LHM
 regarding captioned matters.

encd LHM Quantico
8-3-89

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384
 ② - Bureau (Enc. 5)
 4 - Los Angeles
 (1 - 29A-15650)
 (1 - 29A-15832)
 (1 - 29A-15932)
 (1 - 29A-16028)

29-108108-4

JUN 8 1989

SSE/plf
 (6)

3 COPY

- 1 -

DATE

Approved:

Transmitted

(Number) (Time)

Per

376



U.S. Department of Justice

Federal Bureau of Investigation

Los Angeles, California 90024

In Reply, Please Refer to
File No.

May 18, 1989

[REDACTED]
JOHN C. ELLSWORTH;
SANWA BANK CALIFORNIA,
LOS ANGELES, CALIFORNIA;
WILSHIRE STATE BANK,
LOS ANGELES, CALIFORNIA;
CALIFORNIA OVERSEAS BANK,
LOS ANGELES, CALIFORNIA;
SECURITY PACIFIC NATIONAL BANK,
LOS ANGELES, CALIFORNIA
BANK FRAUD AND EMBEZZLEMENT

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b7C

Investigation in captioned matter was initiated upon receipt of criminal referrals from each of the captioned institutions. The individual cases were opened on January 31, 1986, August 26, 1986, December 31, 1986, and April 15, 1987. Captioned matter involved schemes in which, during period of 1985 to 1987, subject [REDACTED] caused losses totaling over \$1.5 million. These schemes were independent of each other, but all involved the kiting of checks among numerous business and personal accounts of [REDACTED] and associates, and the deposit of large NSF checks drawn on accounts of [REDACTED] associates. [REDACTED] was assisted in each of the schemes by one or more bank employees, who accepted his checks for deposit without placing holds on the funds, and allowed withdrawals prior to the return of the deposited items.

[REDACTED] was charged in a 26 count indictment with the schemes to defraud captioned institutions. Subject Ellsworth was charged in seven counts of the indictment relating to the scheme to defraud Sanwa Bank California.

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

29-108108-4

[REDACTED]

[REDACTED] pled guilty to four counts of Title 18, USC, Section 1344, and was sentenced to three years custody, five years probation, and 2,000 hours community service. Ellsworth pled guilty to two counts of Title 18, USC, Section 1344, and was sentenced to four and one half years probation, and 1,000 hours community service.

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